

**SETTLEMENT AGREEMENT**

NOW COME Medical Review of North Carolina, Inc. d/b/a The Carolinas Center for Medical Excellence (hereinafter “CCME”), the North Carolina Department of Health and Human Services, Division of Medical Assistance (hereinafter “the Department” or “DMA”), and VieBridge, Inc. (“VieBridge”) enter into the following Settlement Agreement. The foregoing parties are at times referred to herein collectively as “Parties” and individually as a “Party.”

WHEREAS, the Department is responsible for administering the North Carolina Medical Assistance Program (“NC Medicaid program”) pursuant to N.C.G.S. § 108A-25(b), § 108A-54 and the North Carolina State Plan for Medical Assistance; and

WHEREAS, DMA contracts with private entities to provide certain services on behalf of the NC Medicaid program; and

WHEREAS, DMA entered into a contract (“Contract”) with CCME for CCME to provide certain services to DMA under the North Carolina’s Medicaid Home and Community Based Services Program; and

WHEREAS, CCME entered into a sub-contractual agreement with VieBridge, Inc. for VieBridge to provide certain system development, functionality, and web-based reporting services to CCME (“Subcontract”) to enable CCME to meet its obligations under the Contract; and

WHEREAS, the DMA and CCME amended the Contract four times, the last changes to the Contract being incorporated in Amendment 4 which commenced August 5, 2012; and

WHEREAS, DMA notified CCME of the termination of the Contract by notice dated April 26, 2013; and

WHEREAS, CCME terminated its Subcontract with VieBridge; and

WHEREAS, DMA paid CCME for Contract services it provided to DMA through January 31, 2013; and

WHEREAS, CCME has not paid VieBridge for services VieBridge provided pursuant to the Subcontract after April 4, 2013; and

WHEREAS, a dispute exists between DMA and CCME concerning the amount due under the Contract; and

WHEREAS, it is the policy of this State, pursuant to N.C.G.S. § 150B-22, to resolve disputes through informal procedures; and

WHEREAS, the Department believes that entering into this Agreement is in the best interests of the Medicaid program and presents a better alternative than protracted litigation; and

WHEREAS, the Parties have reached a compromise settlement resolving the differences between them on the disputes and potential disputes described herein, the terms and conditions of which are set forth in this Agreement.

#### **AGREEMENT**

NOW THEREFORE, for and in consideration of the mutual promises and covenants hereinafter set forth, for agreed upon consideration, and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, the Parties, for themselves and their predecessors, successors, subsidiaries, managers, affiliates, assigns, officers, directors, employees, and agents agree, as follows:

1. The settlement effected by this Agreement is a compromise of disputed claims, made to avoid the uncertainty and expense of litigation. The promises and terms agreed to

herein are not to be construed as an admission of any alleged liability, nonconformity, error, or other deficiency on the part of any Party. Any such alleged liability, nonconformity, error, or other deficiency is expressly denied by the respective Parties.

2. Within fifteen (15) days following execution of this Agreement by the Parties, DMA shall pay to CCME settlement proceeds in the amount of Four Hundred Eighty Seven Thousand Four Hundred Twenty Two Dollars and Eighty Four Cents (\$487,422.84) ("Settlement Payment") via electronic payment through the state E-pay remittance system. This Settlement Payment represents payment by DMA for services provided by CCME.

3. Upon receipt by CCME of the Settlement Payment from DMA, CCME shall within five (5) days thereafter make payment to VieBridge in the amount of Twenty-three Thousand, One Hundred Eleven Dollars and Twenty-two cents (\$23,111.22), which represents payment for the services VieBridge provided from April 5 through April 10, 2013.

4. All attorney's fees, costs or expenses related to the dispute described herein shall be borne by each of the Parties individually and no claim for such fees, costs or expenses shall be made.

5. CCME and VieBridge hereby releases the DMA, its current and former officials, directors, officers, employees, divisions, subsidiaries, parents, affiliates, managers, agents and representatives, from any and all liability and causes of action that have arisen or might arise from any or all claims for payment for services provided under the Contract by CCME or its subcontractor VieBridge.

6. Upon payment by DMA to CCME of the amount specified in paragraph # 2, CCME agrees to indemnify and hold harmless DMA, its current and former officials, directors, officers, employees, divisions, subsidiaries, parents, affiliates, managers, agents and

representatives, from any claims by VieBridge arising out of any act or omission of CCME in connection with the performance of the terms of this Settlement Agreement.

7. The terms of this Settlement Agreement shall not be deemed an admission of wrong doing, liability, or breach of contract by any Party to this Agreement. This Agreement shall resolve all issues between or among the Parties arising out of any alleged non-payment by DMA under the Contract.

8. This Agreement constitutes the entire understanding and agreement between the Parties with respect to the subject matter hereof, and there are no promises, understandings, or representations other than those set forth herein. This Agreement supersedes any and all other prior agreements and drafts regarding the subject matter hereof. This Agreement may not be amended or modified except by a writing signed by all of the Parties or their duly authorized representatives.

9. This Agreement shall be construed and governed according to the laws of the State of North Carolina. If any provisions of this Agreement are held to be invalid or unenforceable, all other provisions shall nevertheless continue in full force and effect. The Parties, by signing this Agreement, agree and submit, solely for matters concerning this Agreement, to the exclusive jurisdiction of the courts of North Carolina and agree, solely for such purpose, that the only venue for any legal proceedings shall be Wake County, North Carolina.

10. Each Party acknowledges that it has carefully read this Agreement, knows the contents thereof, and executes the Agreement voluntarily as its own free act. Each Party further acknowledges that it has conferred to the extent that it has deemed appropriate with legal counsel regarding this Agreement prior to its execution.

11. Each party and its counsel have participated fully in the negotiation, drafting and review of this Agreement. Any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement.

12. This Agreement shall be executed in three (3) counterparts, each of which shall be considered an original.

13. The undersigned represent and warrant that they are authorized to enter into this Agreement on behalf of the Parties.

14. In order to expedite the signing of this Agreement, the parties stipulate and agree that delivery of an executed signature page by one party to the other via facsimile transmission or electronic mail with a PDF attachment shall bind the transmitting party to the same extent as service of the original page by hand delivery. The parties stipulate and agree that a party that sends a signature page via facsimile transmission or electronic mail with a PDF attachment shall mail the original to the party within five (5) business days after the facsimile or electronic mail transmission.

15. This Agreement is binding on the Parties' predecessors, successors, parents, subsidiaries, managers, affiliates, assigns, officers, directors, employees, and agents.

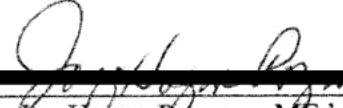
16. This Agreement shall be effective upon the occurrence of the complete execution of this Agreement.

This Settlement Agreement agreed and executed by the Parties hereto:

MEDICAL REVIEW OF NORTH CAROLINA, INC.  
d/b/a THE CAROLINAS CENTER FOR MEDICAL  
EXCELLENCE

5/1/15

Date

By: 

Joy Hogan Rozman, MEd, RN  
President and Chief Executive Officer

VIEBRIDGE, INC.

04/30/2015

Date

By: 

Alan Ackman, President

NORTH CAROLINA DEPARTMENT OF HEALTH  
AND HUMAN SERVICES, DIVISION OF MEDICAL  
ASSISTANCE

5/6/15

Date

By: 

Robin Gary Cummings, M.D.  
N.C. Department of Health and Human Services  
Director, Division of Medical Assistance